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### A BILL FOR AN ACT

RELATING TO HAWAIIAN HOME LANDS.

#### BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1	SECTION 1. The Hawaiian Homes Commission Act, 1920, as
2	amended, is amended by adding a new section to title 2 to be
3	appropriately designated and to read as follows:
4	" <u>§</u> . Beneficiaries on waitlist; successors.
5	Notwithstanding any provision of this Act to the contrary, a
6	living beneficiary's place on the department of Hawaiian home
7	lands' waitlist for any residential, agricultural, or pastoral
8	tract available pursuant to this Act may be designated for
9	transfer to a successor if the living beneficiary dies before
10	receiving an offer for a tract; provided that the successor
11	shall be at least twenty-five per cent native Hawaiian. The
12	department of Hawaiian home lands shall implement this provision
13	at the sole discretion of the Hawaiian homes commission."
14	SECTION 2. Section 207, Hawaiian Homes Commission Act,
15	1920, as amended, is amended by amending subsection (a) to read
16	as follows:



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1 "(a) The department is authorized to lease to native 2 Hawaiians or qualified application successors the right to the 3 use and occupancy of a tract or tracts of Hawaiian home lands 4 within the following acreage limits per each lessee: (1) not 5 more than forty acres of agriculture lands or lands used for 6 aquaculture purposes; or (2) not more than one hundred acres of 7 irrigated pastoral lands and not more than one thousand acres of 8 other pastoral lands; or (3) not more than one acre of any class 9 of land to be used as a residence lot; provided that in the case of any existing lease of a farm lot in the Kalanianaole 10 11 Settlement on Molokai, a residence lot may exceed one acre but shall not exceed four acres in area, the location of such area 12 13 to be selected by the department; provided further that a lease 14 granted to any lessee may include two detached farm lots or 15 aquaculture lots, as the case may be, located on the same island and within a reasonable distance of each other, one of which, to 16 be designated by the department, shall be occupied by the lessee 17 18 as the lessee's home, the gross acreage of both lots not to 19 exceed the maximum acreage of an agricultural, pastoral, or 20 aquacultural lot, as the case may be, as provided in this 21 section."



1	SECT	ION 3. Section 208, Hawaiian Homes Commission Act,
2	1920, as	amended, is amended to read as follows:
3	"§20	8. Conditions of leases. Each lease made under the
4	authority	granted the department by section 207 of this Act, and
5	the tract	in respect to which the lease is made, shall be deemed
6	subject t	o the following conditions, whether or not stipulated
7	in the le	ase:
8	(1)	The original lessee shall be a native Hawaiian[ $ au$ ] or a
9		qualified application successor, not less than
10		eighteen years of age. In case two lessees either
11		original or in succession marry, they shall choose the
12		lease to be retained, and the remaining lease shall be
13		transferred, quitclaimed, or canceled in accordance
14		with the provisions of succeeding sections $[-]$ ;
15	(2)	The lessee shall pay a rental of \$1 a year for the
16		tract and the lease shall be for a term of ninety-nine
17		years; except that the department may extend the term
18		of any lease; provided that the approval of any
19		extension shall be subject to the condition that the
20		aggregate of the initial ninety-nine year term and any



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1		extension granted shall not be for more than one
2		hundred ninety-nine years[+];
3	(3)	The lessee may be required to occupy and commence to
4		use or cultivate the tract as the lessee's home or
5		farm or occupy and commence to use the tract for
6		aquaculture purposes, as the case may be, within one
7		year after the commencement of the term of the
8		lease[-] <u>;</u>
9	(4)	The lessee thereafter, for at least such part of each
10		year as the department shall prescribe by rules, shall
11		occupy and use or cultivate the tract on the lessee's
12		own behalf[-];
13	(5)	The lessee shall not in any manner transfer to, or
14		otherwise hold for the benefit of, any other person or
15		group of persons or organizations of any kind, except
16		a native Hawaiian or Hawaiians, and then only upon the
17		approval of the department, or agree so to transfer,
18		or otherwise hold, the lessee's interest in the tract;
19		except that the lessee, with the approval of the
20		department, also may transfer the lessee's interest in
21		the tract to the following qualified relatives of the



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1 lessee who are at least one-quarter Hawaiian: husband, 2 wife, child, or grandchild. A lessee who is at least 3 one-quarter Hawaiian who has received an interest in 4 the tract through succession or transfer may, with the 5 approval of the department, transfer the lessee's leasehold interest to a brother or sister who is at 6 7 least one-quarter Hawaiian. Such interest shall not, 8 except in pursuance of such a transfer to or holding for or agreement with a native Hawaiian or Hawaiians 9 10 or qualified relative who is at least one-quarter 11 Hawaiian approved of by the department or for any indebtedness due the department or for taxes or for 12 13 any other indebtedness the payment of which has been 14 assured by the department, including loans from other agencies where such loans have been approved by the 15 16 department, be subject to attachment, levy, or sale 17 upon court process. The lessee shall not sublet the 18 lessee's interest in the tract or improvements 19 thereon; provided that a lessee may be permitted, with 20 the approval of the department, to rent to a native 21 Hawaiian or Hawaiians, lodging either within the



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1 lessee's existing home or in a separate residential 2 dwelling unit constructed on the premises [-]; 3 (6) Notwithstanding the provisions of paragraph (5), the 4 lessee, with the consent and approval of the 5 commission, may mortgage or pledge the lessee's interest in the tract or improvements thereon to a 6 7 recognized lending institution authorized to do 8 business as a lending institution in either the State or elsewhere in the United States; provided the loan 9 10 secured by a mortgage on the lessee's leasehold 11 interest is insured or guaranteed by the Federal 12 Housing Administration, Department of Veterans 13 Affairs, or any other federal agency and their 14 respective successors and assigns, which are 15 authorized to insure or guarantee such loans, or any 16 acceptable private mortgage insurance as approved by 17 the commission. The mortgagee's interest in any such 18 mortgage shall be freely assignable. Such mortgages, 19 to be effective, must be consented to and approved by 20 the commission and recorded with the department.



1 Further, notwithstanding the authorized purposes 2 of loan limitations imposed under section 214 of this Act and the authorized loan amount limitations imposed 3 4 under section 215 of this Act, loans made by lending institutions as provided in this paragraph, insured or 5 6 guaranteed by the Federal Housing Administration, 7 Department of Veterans Affairs, or any other federal agency and their respective successors and assigns, or 8 9 any acceptable private mortgage insurance, may be for 10 such purposes and in such amounts, not to exceed the 11 maximum insurable limits, together with such 12 assistance payments and other fees, as established 13 under section 421 of the Housing and Urban Rural 14 Recovery Act of 1983 which amended Title II of the National Housing Act of 1934 by adding section 247, 15 and its implementing regulations, to permit the 16 17 Secretary of Housing and Urban Development to insure 18 loans secured by a mortgage executed by the homestead 19 lessee covering a homestead lease issued under section 20 207(a) of this Act and upon which there is located a 21 one to four family single family residence [+];



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The lessee shall pay all taxes assessed upon the tract 1 (7) 2 and improvements thereon. The department may pay such 3 taxes and have a lien therefor as provided by section 216 of this Act[-;]; and 4 5 The lessee shall perform such other conditions, not in (8) conflict with any provision of this Act, as the 6 7 department may stipulate in the lease; provided that an original lessee shall be exempt from all taxes for 8 9 the first seven years after commencement of the term 10 of the lease." 11 SECTION 4. This Act does not affect rights and duties that 12 matured, penalties that were incurred, and proceedings that were 13 begun before its effective date. 14 SECTION 5. The provisions of the amendments made by this Act to the Hawaiian Homes Commission Act, 1920, as amended, are 15 declared to be severable, and if any section, sentence, clause, 16 17 or phrase, or the application thereof to any person or

18 circumstances is held ineffective because there is a requirement 19 of having the consent of the United States to take effect, then 20 that portion only shall take effect upon the granting of consent





by the United States and effectiveness of the remainder of these
 amendments or the application thereof shall not be affected.

3 SECTION 6. Statutory material to be repealed is bracketed4 and stricken. New statutory material is underscored.

SECTION 7. This Act shall take effect on either the date
of the Secretary of the Interior's notification letter to the
Congressional Committee Chairmen that this Act meets none of the
criteria in 43 CFR section 48.20, or on the date that the United
States Congress approval becomes law.

INTRODUCED BY: JAN 2 1 2025



#### Report Title:

DHHL; Hawaiian Home Lands; Waitlist; Successors

#### Description:

Provides that a living beneficiary's place on the Department of Hawaiian Home Land's waitlist for any residential, agricultural or pastoral tract may be designated for transfer to a successor if the living beneficiary dies before receiving an offer for a tract; provided that the successor shall be at least twenty-five per cent native Hawaiian.

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